

CITY OF BRISTOW, OKLAHOMA

ANNUAL FINANCIAL REPORT

JUNE 30, 2022

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CITY OF BRISTOW, OKLAHOMA  
TABLE OF CONTENTS  
JUNE 30, 2022

Independent Auditors' Report	1-2
Financial Statements	
Statement of Net Position - Modified Cash Basis	3
Statement of Activities - Modified Cash Basis	4
Balance Sheet - Modified Cash Basis - Governmental Funds	5
Reconciliation of Balance Sheet - Governmental Funds with the Statement of Net Position	6
Statement of Revenues, Expenditures, and Change in Fund Balance - Modified Cash Basis - Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	8
Statement of Fund Net Position - Modified Cash Basis - Proprietary Funds	9
Statement of Revenues, Expenses and Changes in Fund Net Position - Modified Cash Basis - Proprietary Funds	10
Statement of Cash Flows - Modified Cash Basis Proprietary Fund	11
Notes to Financial Statements	12-24
Supplemental Information	
Budgetary Comparison Schedule - General Fund	25-27
Budgetary Comparison Schedule - Notes to Required Supplementary Information	28
Other Information	
Combining Balance Sheet - Modified Cash Basis - Nonmajor Governmental Funds	29
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis Nonmajor Governmental Funds	30
Schedule of Expenditure of Federal Awards	31
Independent Auditors' Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with <i>Government Auditing Standards</i>	32-33
Independent Auditors' Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on Schedule of Federal Awards Required by Uniform Guidance	34-36
Schedule of Findings and Questioned Costs	37
Status of Prior Year Findings and Questioned Costs	38

## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the City Council  
City of Bristow, Oklahoma

### Report on the Audit of the Financial Statements

#### Opinions

I have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund(except as described below), and the aggregate remaining fund information of the City of Bristow, Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Bristow's basic financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note A.

#### Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of City of Bristow, Oklahoma, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified and unmodified audit opinions.

#### Emphasis of Matter

I draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My opinion is not modified with respect to that matter.

#### Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Bristow's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Bristow's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Bristow's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

#### Other Matters

##### Other information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Bristow, Oklahoma's basic financial statements. The budgetary comparison and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditure of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and is also not a required part of the basic financial statements.

The budgetary comparison and the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the budgetary comparison and the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 15, 2023, on my consideration of City of Bristow's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Bristow, Oklahoma's internal control over financial reporting and compliance.



Ralph Osborn  
Certified Public Accountant  
Bristow, Oklahoma  
May 15, 2023

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF NET POSITION  
MODIFIED CASH BASIS  
JUNE 30, 2022

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 1,700,344	\$ 1,297,510	\$ 2,997,854
Investments	577,688	216,986	794,674
Restricted Assets			
Cash - Debt Service	561,368	578,655	1,140,023
Cash - Bond Construction	-	474,641	474,641
Cash - Reserve	-	6,433,100	6,433,100
Total Current Assets	<u>2,839,400</u>	<u>9,000,892</u>	<u>11,840,292</u>
Non-Current Assets			
Capital Assets			
Land	427,816	545,652	973,468
Other Capital Assets Net of Accumulated Depreciation	<u>7,293,638</u>	<u>15,827,866</u>	<u>23,121,504</u>
Total Non-Current Assets	<u>7,721,454</u>	<u>16,373,518</u>	<u>24,094,972</u>
Total Assets	<u>10,560,854</u>	<u>25,374,410</u>	<u>35,935,264</u>
<b>LIABILITIES</b>			
Current Liabilities			
Utility Deposits	-	214,913	214,913
Lease Payable, current	52,532	-	52,532
Bonds and Notes Payable, current	-	2,610,889	2,610,889
Total Current Liabilities	<u>52,532</u>	<u>2,825,802</u>	<u>2,878,334</u>
Non-Current Liabilities			
Lease Payable, non-current	21,957	-	21,957
Bond and Notes Payable, non-current	-	10,565,000	10,565,000
Total Non-Current Liabilities	<u>21,957</u>	<u>10,565,000</u>	<u>10,586,957</u>
Total Liabilities	<u>74,489</u>	<u>13,390,802</u>	<u>13,465,291</u>
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	7,721,454	3,197,629	10,919,083
Restricted			
Debt Service	561,368	578,655	1,140,023
Construction	-	6,433,100	6,433,100
Reserve	-	474,641	474,641
Unrestricted	<u>2,203,543</u>	<u>1,299,583</u>	<u>3,503,126</u>
Total Net Position	<u>\$ 10,486,365</u>	<u>\$ 11,983,608</u>	<u>\$22,469,973</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF ACTIVITIES  
MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2022

FUNCTION/PROGRAMS	Program Revenue				
		Charges	Operating	Capital	
	Expenses	For	Grants and	Grants and	Revenue
		Services	Contributions	Contributions	
Governmental Activities					
General Government	\$ 614,413	\$ 33,304	\$ 42,042	\$ 2,634,355	\$ 2,095,288
Public Safety	2,192,553	416,282	430,109	-	(1,346,162)
Street	774,577	-	34,364	-	(740,213)
Culture and Education	164,909	-	3,321	-	(161,588)
Public Service	119,436	-	-	-	(119,436)
Parks and Recreation	145,637	490	-	-	(145,147)
Cemetery	233,906	63,148	-	-	(170,758)
Hospital	561,547	-	-	-	(561,547)
Total Governmental Activities	<u>4,806,978</u>	<u>513,224</u>	<u>509,836</u>	<u>2,634,355</u>	<u>(1,149,563)</u>
Business-type Activities					
Administration	45,047	-	-	-	(45,047)
Sanitation	141,933	573,317	-	-	431,384
Water/Wastewater	2,539,327	1,602,687	-	-	(936,640)
Airport	<u>115,569</u>	<u>23,695</u>	<u>-</u>	<u>-</u>	<u>(91,874)</u>
Total Business-Type Activities	<u>2,841,876</u>	<u>2,199,699</u>	<u>-</u>	<u>-</u>	<u>(642,177)</u>
Total Primary Government	<u>\$7,648,854</u>	<u>\$2,712,923</u>	<u>\$ 509,836</u>	<u>\$ 2,634,355</u>	<u>\$ (1,791,740)</u>
Primary Government					
Business					
Governmental					
Activities					
Business					
Type					
Activities					
Total					
CHANGES IN NET POSITION					
Net (expense) Revenue			<u>\$ (1,149,563)</u>	<u>\$ (642,177)</u>	<u>\$ (1,791,740)</u>
General Revenues					
Taxes					
Sales Tax			4,138,509	-	4,138,509
Use Tax			375,861	-	375,861
Franchise			152,016	-	152,016
Gas Tax			7,585	-	7,585
Cigarette Tax			32,630	-	32,630
Room Tax			4,678	-	4,678
Taxes in Lieu			13,704	-	13,704
Cell Tower Revenue			40,565	-	40,565
Donations			38,508	-	38,508
Other			182,390	21,818	204,208
Interest			4,827	3,640	8,467
Sale of Assets			187,247	-	187,247
Transfers			<u>(3,927,425)</u>	<u>3,927,425</u>	<u>-</u>
Total General Revenue and Transfers			<u>1,251,095</u>	<u>3,952,883</u>	<u>5,203,978</u>
Change in Net Position			101,532	3,310,706	3,412,238
Net Position - Beginning			<u>10,384,833</u>	<u>8,672,902</u>	<u>19,057,735</u>
Net Position - Ending			<u>\$10,486,365</u>	<u>\$ 11,983,608</u>	<u>\$22,469,973</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
BALANCE SHEET - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	<u>General Fund</u>	<u>Hospital</u>	<u>Capital Improvement</u>	<u>General Grants</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and Cash Equivalent	\$ 170,059	\$ 267,365	\$ 963,237	\$112,420	\$ 187,263	\$1,700,344
Investments	5,508	201,820	289,001	-	81,359	577,688
Restricted Cash	<u>-</u>	<u>561,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>561,368</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 175,567</u></u>	<u><u>\$1,030,553</u></u>	<u><u>\$ 1,252,238</u></u>	<u><u>\$112,420</u></u>	<u><u>\$ 268,622</u></u>	<u><u>\$2,839,400</u></u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Due Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>						
Restricted	-	561,368	-	-	-	561,368
Unrestricted	<u>175,567</u>	<u>469,185</u>	<u>1,252,238</u>	<u>112,420</u>	<u>268,622</u>	<u>2,278,032</u>
<b>Total Fund Balances</b>	<u>175,567</u>	<u>1,030,553</u>	<u>1,252,238</u>	<u>112,420</u>	<u>268,622</u>	<u>2,839,400</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 175,567</u></u>	<u><u>\$1,030,553</u></u>	<u><u>\$ 1,252,238</u></u>	<u><u>\$112,420</u></u>	<u><u>\$ 268,622</u></u>	<u><u>\$2,839,400</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS  
WITH THE STATEMENTS OF NET POSITION  
JUNE 30, 2022

Total Fund Balance \$ 2,839,400

Amounts reported in the statement of net  
position are different because:

Capital assets used in governmental activities  
are not financial resources therefore are not  
reported as assets in governmental funds.

Land	427,816	
Capital Assets	15,456,717	
Accumulated Depreciation	<u>(8,163,079)</u>	<u>7,721,454</u>

Certain long-term liabilities are not due and payable  
from current financial resources and, therefore, are not  
reported in the funds:

Lease purchase payable	<u>(74,489)</u>
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TOTAL NET POSITION	<u>\$10,486,365</u>
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The accompanying notes are an integral part of these financial statements.



CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Hospital	Capital Improvement	General Grants	Other Governmental Funds	Governmental Funds
<b>Revenue</b>						
Sales Tax	\$ 3,886,019	\$ -	\$ 252,490	\$ -	\$ -	\$ 4,138,509
Use Tax	375,861	-	-	-	-	375,861
Franchise Tax	152,016	-	-	-	-	152,016
E911 Fee	72,869	-	-	-	-	72,869
Gasoline Tax	7,585	-	-	-	-	7,585
Motor Vehicle Tax	34,364	-	-	-	-	34,364
Alcoholic Beverage Tax	42,042	-	-	-	-	42,042
Cigarette Tax	32,630	-	-	-	-	32,630
PILOT (Bristow Housing Auth)	13,704	-	-	-	-	13,704
Cell Tower Revenue	40,565	-	-	-	-	40,565
Fire Revenue	74,872	-	-	-	-	74,872
Swimming Pool	490	-	-	-	-	490
Cemetery	55,238	-	-	-	7,910	63,148
Room Tax	4,678	-	-	-	-	4,678
License and Permits	33,304	-	-	-	-	33,304
Intergovernmental	-	-	366,776	2,634,355	66,654	3,067,785
Fines and Forfeits	384	-	-	-	268,157	268,541
Donations	1,040	-	-	-	37,468	38,508
Other	10,019	-	-	-	87,248	97,267
Sale of Assets	473	-	173,774	-	13,000	187,247
Rentals	11,876	48,878	-	-	-	60,754
Insurance Refunds	24,369	-	-	-	-	24,369
Interest	526	1,736	1,715	-	850	4,827
<b>TOTAL REVENUE</b>	<u>4,874,924</u>	<u>50,614</u>	<u>794,755</u>	<u>2,634,355</u>	<u>481,287</u>	<u>8,835,935</u>
<b>Expenditures</b>						
Current						
General Government	548,024	-	38,193	-	-	586,217
Public Safety	1,962,839	-	-	-	297,510	2,260,349
Street	624,167	-	-	-	-	624,167
Culture and Education	140,783	-	-	-	23,750	164,533
Public Service	80,128	-	-	-	-	80,128
Parks and Recreation	479,940	-	-	-	-	479,940
Cemetery	120,680	-	-	-	28,981	149,661
Hospital	-	902,954	-	-	-	902,954
<b>TOTAL EXPENDITURES</b>	<u>3,956,561</u>	<u>902,954</u>	<u>38,193</u>	<u>-</u>	<u>350,241</u>	<u>5,247,949</u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u>918,363</u>	<u>(852,340)</u>	<u>756,562</u>	<u>2,634,355</u>	<u>131,046</u>	<u>3,587,986</u>
Transfer In	1,189,304	281,026	-	-	103,521	1,573,851
Transfer Out	(2,404,364)	-	(256,860)	(2,574,531)	(265,521)	(5,501,276)
<b>Total Transfers</b>	<u>(1,215,060)</u>	<u>281,026</u>	<u>(256,860)</u>	<u>(2,574,531)</u>	<u>(162,000)</u>	<u>(3,927,425)</u>
<b>Net change in fund balance</b>	<u>(296,697)</u>	<u>(571,314)</u>	<u>499,702</u>	<u>59,824</u>	<u>(30,954)</u>	<u>(339,439)</u>
<b>Fund Balances, beginning</b>	<u>472,264</u>	<u>1,601,867</u>	<u>752,536</u>	<u>52,596</u>	<u>299,576</u>	<u>3,178,839</u>
<b>Fund Balances, ending</b>	<u>\$ 175,567</u>	<u>\$1,030,553</u>	<u>\$ 1,252,238</u>	<u>\$ 112,420</u>	<u>\$ 268,622</u>	<u>\$ 2,839,400</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

Net Changes in Fund Balances - Total Governmental Funds \$ (339,439)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the combined statement of net position and allocated over their estimated useful lives as annual depreciation in the statement of activities. This is the amount by which capital outlay exceeds depreciation outlay in the period.

Depreciation Expense	(459,453)	
Capital Outlay	970,977	511,524

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the fund. Long-term liabilities at year end consist of:

Lease proceeds	(91,951)	
Principal payments	21,398	(70,553)

CHANGE IN NET POSITION	<u>\$ 101,532</u>
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The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF FUND NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
JUNE 30, 2022

	<u>Municipal Authority</u>	<u>Airport</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 1,241,311	\$ 56,199	\$ 1,297,510
Investments	216,986	-	216,986
Restricted Assets			
Cash-Debt Reserve	474,641	-	474,641
Cash-Debt Service	578,655	-	578,655
Cash-Bond Construction	<u>6,433,100</u>	<u>-</u>	<u>6,433,100</u>
TOTAL CURRENT ASSETS	<u>8,944,693</u>	<u>56,199</u>	<u>9,000,892</u>
Non-Current Assets			
Capital Assets			
Land	267,977	277,675	545,652
Capital Assets, Net of Accumulated Depreciation	<u>7,888,282</u>	<u>7,939,584</u>	<u>15,827,866</u>
TOTAL NON-CURRENT ASSETS	<u>8,156,259</u>	<u>8,217,259</u>	<u>16,373,518</u>
TOTAL ASSETS	<u>17,100,952</u>	<u>8,273,458</u>	<u>25,374,410</u>
<b>LIABILITIES</b>			
Current Liabilities			
Utility Deposits	214,913	-	214,913
Lease Payable, current	-	-	-
Bonds and Notes Payable, current	<u>2,610,889</u>	<u>-</u>	<u>2,610,889</u>
TOTAL CURRENT LIABILITIES	<u>2,825,802</u>	<u>-</u>	<u>2,825,802</u>
Non-Current Liabilities			
Bonds and Notes Payable, non-current	<u>10,565,000</u>	<u>-</u>	<u>10,565,000</u>
TOTAL NON-CURRENT LIABILITIES	<u>10,565,000</u>	<u>-</u>	<u>10,565,000</u>
TOTAL LIABILITIES	<u>13,390,802</u>	<u>-</u>	<u>13,390,802</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	(5,019,630)	8,217,259	3,197,629
Restricted:			
Debt Service	578,655	-	578,655
Bond Construction	6,433,100	-	6,433,100
Escrow	474,641	-	474,641
Unrestricted	<u>1,243,384</u>	<u>56,199</u>	<u>1,299,583</u>
Net Position of Business-Type Activities	<u>\$ 3,710,150</u>	<u>\$ 8,273,458</u>	<u>\$11,983,608</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -  
MODIFIED CASH BASIS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Municipal Authority</u>	<u>Airport</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
Charges for Services			
Water Charges	\$ 1,010,730	\$ -	\$ 1,010,730
Water Tower Fee	52,280	-	52,280
Wastewater Charges	504,207	-	504,207
Sanitation Charges	573,317	-	573,317
Penalty	27,470	-	27,470
Taps	8,000	-	8,000
Rentals	-	18,314	18,314
Fuel Sales	-	5,381	5,381
Other	21,818	-	21,818
TOTAL OPERATING REVENUE	<u>2,197,822</u>	<u>23,695</u>	<u>2,221,517</u>
<u>OPERATING EXPENSES</u>			
Administration	45,047	-	45,047
Water	979,557	-	979,557
Sewer	141,933	-	141,933
Sanitation	546,167	-	546,167
Building	330,002	-	330,002
Airport	-	74,612	74,612
Depreciation	464,556	40,957	505,513
TOTAL OPERATING EXPENSES	<u>2,507,262</u>	<u>115,569</u>	<u>2,622,831</u>
OPERATING INCOME (LOSS)	<u>(309,440)</u>	<u>(91,874)</u>	<u>(401,314)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Grants	-	-	-
Investment Income	3,425	215	3,640
Admin Fees	(3,250)	-	(3,250)
Interest and Fees on Notes and Leases Payable	<u>(215,795)</u>	<u>-</u>	<u>(215,795)</u>
TOTAL NON-OPERATING REVENUE (EXPENSES)	<u>(215,620)</u>	<u>215</u>	<u>(215,405)</u>
Income Before Transfers	(525,060)	(91,659)	(616,719)
Transfer to Other Funds	(3,807,936)	-	(3,807,936)
Transfer from Other Funds	<u>4,810,830</u>	<u>2,924,531</u>	<u>7,735,361</u>
TOTAL TRANSFERS	<u>1,002,894</u>	<u>2,924,531</u>	<u>3,927,425</u>
Change in Net Position	477,834	2,832,872	3,310,706
TOTAL NET POSITION, BEGINNING	<u>3,232,316</u>	<u>5,440,586</u>	<u>8,672,902</u>
TOTAL NET POSITION, ENDING	<u>\$ 3,710,150</u>	<u>\$ 8,273,458</u>	<u>\$11,983,608</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Municipal Authority</u>	<u>Airport</u>	<u>Total</u>
Cash Flows from Operating activities			
Cash Received from customers	\$ 2,824,004	\$ 23,695	\$ 2,847,699
Cash Payments to Employees	(670,427)	-	(670,427)
Cash Payments to Suppliers for Goods and Services	<u>(1,997,659)</u>	<u>(74,612)</u>	<u>(2,072,271)</u>
Net Cash Provided (Used) by Operating Activities	<u>155,918</u>	<u>(50,917)</u>	<u>105,001</u>
Cash Flows from Non-Capital Financing Activities			
Transfers, net	<u>1,002,894</u>	<u>2,924,531</u>	<u>3,927,425</u>
Net Cash Provided by Non-Capital Financing Activities	<u>1,002,894</u>	<u>2,924,531</u>	<u>3,927,425</u>
Cash Flows from Capital and Related Financing Activities			
Grants	-	-	-
Acquisition of Fixed Assets	(809,453)	(3,079,971)	(3,889,424)
Proceeds of Loan	7,813,981	-	7,813,981
Bond Cost	(3,250)	-	(3,250)
Principal Paid on Lease Purchase	(24,418)	-	(24,418)
Principal Paid on Notes and Bonds Payable	(805,000)	-	(805,000)
Interest Paid on Notes and Bonds Payable Leases Payable and Fiscal Fees	<u>(215,795)</u>	<u>-</u>	<u>(215,795)</u>
Net Cash Used for Capital and Related Financing Activities	<u>5,956,065</u>	<u>(3,079,971)</u>	<u>2,876,094</u>
Cash Flows from Investing Activities			
Interest Revenue	<u>3,425</u>	<u>215</u>	<u>3,640</u>
Net Cash Provided by Investing Activities	<u>3,425</u>	<u>215</u>	<u>3,640</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	7,118,302	(206,142)	6,912,160
Cash and Cash Equivalents, Beginning	<u>1,826,391</u>	<u>262,341</u>	<u>2,088,732</u>
Cash and Cash Equivalents, Ending	<u>\$ 8,944,693</u>	<u>\$ 56,199</u>	<u>\$ 9,000,892</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used) by Operating Activities			
Operating Income (Loss)	\$ (309,440)	\$ (91,874)	\$ (401,314)
Adjustments to Reconcile Operating Income to Net Cash:			
Depreciation	464,556	40,957	505,513
Used by Operating Activities:			
Changes in Assets and Liabilities:			
Increase in Utility Deposits	802	-	802
Net Cash Provided by Operating Activities	<u>\$ 155,918</u>	<u>\$ (50,917)</u>	<u>\$ 105,001</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Bristow, Oklahoma, was incorporated under the provisions of the laws of the State of Oklahoma. The City is a charter city in which the citizens elect the mayor at large and eight council members by wards. The financial statements of the City have been prepared in conformity with the modified cash basis. The significant accounting policies of the government are described below.

The accompanying financial statements present the activities of the City of Bristow. The City has considered all potential component units for which the City is financially accountable and other organizations for which the nature and significance of their relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. This criteria includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City.

Component Units

Component units are legally separate organizations for which the City is financially accountable as described above. A blended component unit is a separate legal entity that meets the component unit criteria above. In addition, the blended component units provide services that almost exclusively benefit the City even though they do not provide services directly to the City. These component units are blended into those of the City by appropriate fund type to constitute the primary government presentation. A discretely presented component unit is reported separate from City fund types in the financial statements.

Blended Component Units

The Municipal Authority of the City of Bristow, Oklahoma - The Authority provides water, sewer, and sanitation services in the City. Trustees of the Authority are made up of the mayor and City Council of Bristow. Financial transactions occur between the City and Authority on a regular basis.

Bristow Hospital Authority - The Authority manages activity associated with hospital property owned by the City. The operations of the hospital were sold to an operating company in a previous year. A portion of the sales tax collected by the City is dedicated to the hospital. The City transfers sales tax receipts from the General Fund to the Hospital Authority to pay debt principal and interest.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations. Related organizations are described as follows:

Bristow Industrial Authority - Promotes economic development in the City. The Board of Trustees consists of the mayor of the City and other members appointed by the City Council.

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A functional program is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include (1) charges for services with report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions on these programs uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements of the City are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

**Measurement Focus**

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item B below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- A. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- B. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current, financial, or non-financial) associated with their activities are reported. Proprietary fund equity is classified as net position.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental and business-like activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements and proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are *not recorded* in these financial statements.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements of proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

**Fund Types and Major Funds**

The City reports the following major governmental funds:



CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

General Fund - The general fund reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Capital Improvements - The fund accounts for capitol projects of the City.

General Grants - The fund accounts for major grant projects.

Hospital Authority - The fund reports activity related to the City hospital.

The City reports the following major enterprise funds:

Municipal Authority - The Authority provides certain utility services for the City.

Airport - The fund accounts for operation of the municipal airport.

Budgetary Accounting and Control

The Mayor submits an annual budget to the City Council in accordance with the Oklahoma Municipal Budget Act. The budget is presented to the City Council for review. Public hearings are held to address priorities and allocation of resources. In June, the City Council adopts the subsequent fiscal year budgets for the City operating funds. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Public trusts submit budget and other planning documents to their respective governing bodies.

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by sources. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. Budget revisions at this level are subject to final review by the City Council. The legal level of control is by department within a fund. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Council approval.

The budgets for the governmental funds and proprietary fund operations are prepared on the cash basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be paid. Budgetary comparison financial statements are reported on this basis. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

Investments

The City follows Governmental Accounting Standards Board (GASB) Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," which requires marketable securities to be carried at fair value. The City considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The investments reported in the financial statements consist of Certificates of Deposits, government bonds, U.S. government notes and securities. Money held by trustee banks for use in retiring bonds is usually held in United States government securities.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriations, is employed in the governmental funds. Encumbrances outstanding at year end are cancelled under the modified cash basis. The encumbrance is added to the subsequent year expenses when paid.

Inventories and Prepaids

Inventories in governmental funds consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost which is recorded as an expenditure at the time individual inventory items are used. Proprietary funds and similar component unit inventories are recorded at the lower of cost or market on a first-in, first-out basis. The City has not maintained inventory records, however, the value of inventory on hand at June 30, 2022 is not believed to be material.

Prepaids recording payments to vendors that benefit future reporting periods are also reported on the consumption basis. Both inventories and prepaids are similarly reported in government-wide and fund financial statements. Under the modified cash basis, prepaids are not reported. The expense is included in the period the liability is paid.

Capital Assets, Depreciation, and Amortization

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost or at estimated historical cost for those items not previously reported and comprehensively reported in the government-wide financial statements. The City maintains infrastructure assets records consistent with all other capital assets. Proprietary and component unit capital assets are also reported in their respective fund and combining component units financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with a cost of \$2,000 or more as purchase and construction outlays occur. The cost of normal maintenance and repairs that do not add to the assets value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are moved from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	5-60
Improvements, other than buildings	2-50
Mobile equipment	3-40
Furniture, machinery, and equipment	3-30
Utility system	5-60

Compensated Absences

Full-time, permanent employees are granted personal leave in varying amounts to specified maximums depending on tenure with the City. The City does not record a liability for accrued compensated absences. The amount paid for compensated absences is expensed as paid.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

Reserves and Designations

Reserves represent those portions of fund balance not available for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is the risk that in the event of failure of counterparty, the City will not be able to recover the value of its deposits or investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the City, and are held by counterparty or the counterparty's trust department but not in the name of the City. The City's policy requires that all deposits and investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the deposits or investments. As of June 30, 2022, all of the City's deposits and investments were either covered by federal deposit insurance or were fully collateralized.

Deposits

The City had deposits at financial institutions with a carrying amount of approximately \$11,840,292 at June 30, 2022. The bank balance of the deposits at June 30, 2022 was approximately \$11,862,259.

Credit Risk

Fixed-income securities are subject to credit risk. However, the City did not have fixed income securities at June 30, 2022.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City Council monitor's the investment performance on an ongoing basis to limit the City's interest rate risk. As of June 30, 2022, the City's deposits consisted of demand deposits and certificates of deposit with a maturity of 12 months or less.

NOTE C - INTERFUND RECEIVABLES AND PAYABLES

The City did not report any interfund receivables or payables at June 30, 2022.

NOTE D - RESTRICTED CASH

The City is reporting the following restricted cash:

Escrow	\$ 474,641
Debt Service	578,655
Bond Construction	6,433,100
Total	<u>\$ 7,486,396</u>

The escrow is held for use in retiring the outstanding revenue bonds, see Note I.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE E - CAPITAL ASSETS

The following table provides a summary of changes in capital assets:

	CAPITAL ASSETS, DEPRECIATED				Capital Assets Not Depreciated Land
	Buildings	Infrastructure & Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Totals	
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities					
Balance, June 30, 2021	\$ 5,859,628	\$ 4,727,589	\$ 3,932,451	\$14,519,668	\$ 427,816
Increases	-	729,465	241,512	970,977	-
Decreases	-	-	(33,928)	(33,928)	-
Balance, June 30, 2022	<u>5,859,628</u>	<u>5,457,054</u>	<u>4,140,035</u>	<u>15,456,717</u>	<u>427,816</u>
Accumulated Depreciation					
Balance, June 30, 2021	1,940,838	2,866,082	2,920,421	7,727,341	
Increases	84,620	197,497	177,336	459,453	
Decreases	-	-	(23,715)	(23,715)	
Balance, June 30, 2022	<u>2,025,458</u>	<u>3,063,579</u>	<u>3,074,042</u>	<u>8,163,079</u>	
Governmental Activities Capital Assets, Net	<u>\$ 3,834,170</u>	<u>\$ 2,393,475</u>	<u>\$ 1,065,993</u>	<u>\$ 7,293,638</u>	<u>\$ 427,816</u>
Business-type Activities					
Balance, June 30, 2021	\$ 824,129	\$18,408,102	\$ 1,502,984	\$20,735,215	\$ 545,652
Increases	-	3,850,391	39,033	3,889,424	-
Decreases	-	-	-	-	-
Balance, June 30, 2022	<u>824,129</u>	<u>22,258,493</u>	<u>1,542,017</u>	<u>24,624,639</u>	<u>545,652</u>
Accumulated Depreciation					
Balance, June 30, 2021	668,044	6,530,983	1,092,233	8,291,260	
Increases	19,672	434,060	51,781	505,513	
Decreases	-	-	-	-	
Balance, June 30, 2022	<u>687,716</u>	<u>6,965,043</u>	<u>1,144,014</u>	<u>8,796,773</u>	
Business-type Activities Capital Assets, Net	<u>\$ 136,413</u>	<u>\$15,293,450</u>	<u>\$ 398,003</u>	<u>\$15,827,866</u>	<u>\$ 545,652</u>
<b>PRIMARY GOVERNMENT</b> Capital Assets, Net	<u>\$ 3,970,583</u>	<u>\$17,686,925</u>	<u>\$ 1,463,996</u>	<u>\$23,121,504</u>	<u>\$ 973,468</u>

DEPRECIATION EXPENSE

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENT ACTIVITIES		BUSINESS-TYPE ACTIVITIES	
General Government	\$ 39,088	Water/Wastewater	\$ 465,231
Public Safety	134,583	Airport	40,282
Street	163,750		
Culture and Education	376		
Parks and Recreation	39,308		
Public Service	-		
Cemetery	28,594		
Hospital	53,754		

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE F - SALES TAX

Sales tax revenue is 46.84% of non-utility revenue of the City. The City Sales tax rate is 5%. The amount is appropriated to various funds in the following manner:

City General Fund	2.20%
Municipal Authority	1.00%
Building Fund	.50%
Capital Improvement	.30%
Hospital Fund	.50%
Park Fund	.50%

NOTE G - SALES TAX REVENUE

The City, pursuant to Ordinance No. 107-082809 (the "Ordinance"), is levying a sales tax of one percent (1.00%), as approved by the qualified electors of the County at an election held November 10, 2009, in accordance with Title 68, Oklahoma Statutes 2011, Section 1370, as amended (the "Sales Tax Revenues"), which shall be used for the payment of the debt service, including payment of interest and principal and premium. The City and the Bristow Hospital Authority have entered into a Sales Tax Agreement dated as of September 1, 2012 (the "Sales Tax Agreement"), pursuant to which the City agrees, subject to availability and appropriation of funds, to transfer, as received, to the Trustee on behalf of the Authority, and hereby appropriates to the Authority proceeds of the 1 cent Sales Tax Revenues. This agreement expired in September 2020 when the sales tax expired.

	Total			
FY	Collections	1 Cent	Avg Monthly	Change
2021/22	\$ 4,138,509	\$ 827,702	\$ 68,975	11.16%
2020/21	3,723,011	744,601	62,050	2.72%
2019/20	3,624,377	724,875	60,406	4.18%
2018/19	3,478,971	695,794	57,983	2.46%
2017/18	3,395,310	679,062	56,589	0.62%
2016/17	3,374,481	674,896	56,241	1.32%
2015/16	3,330,414	666,083	55,507	0.60%
2014/15	3,310,442	662,088	55,174	0.68%
2013/14	3,287,975	657,595	54,800	3.41%
2012/13	3,179,494	635,899	52,992	-1.28%
2011/12	3,220,710	644,142	53,679	4.79%
2010/11	3,073,290	614,658	51,222	3.70%
2009/10	2,210,942	592,729	49,394	-7.98%

NOTE H - CHANGES IN LONG-TERM DEBT

The following is a summary of the long-term debt transactions of the City for the year ended June 30, 2022:

	Notes	Bonds	Capital Lease	
	Payable	Payable	Obligation	Total
Balance, July 1, 2021	\$ 646,908	\$ 5,520,000	\$ 86,730	\$ 6,253,638
Additions	813,981	7,000,000	34,365	7,848,346
Retirements	-	(805,000)	(46,063)	(851,063)
Balance, June 30, 2022	<u>\$1,460,889</u>	<u>\$11,715,000</u>	<u>\$ 75,032</u>	<u>\$13,250,921</u>

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE I - PROPRIETARY FUND REVENUE BONDS PAYABLE

The following is a summary of revenue bond transactions of the Municipal Authority for the year ended June 30, 2022.

	Payable at <u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	Balance at <u>June 30, 2022</u>
2018 B Revenue Bonds	\$ 5,520,000	\$ -	\$ (480,000)	\$ 5,040,000
2021 A Revenue Bonds	-	3,500,000	(160,000)	3,340,000
2021 B Revenue Bonds	-	3,500,000	(165,000)	3,335,000
	<u>\$ 5,520,000</u>	<u>\$ 7,000,000</u>	<u>\$ (805,000)</u>	<u>\$11,715,000</u>

The bonds payable as of June 30, 2022 are as follows:

\$5,680,000 Utility System Refunding Revenue Bonds,  
Series 2018 B in annual installments with 2.8-3.5%  
interest secured by Authority revenue and real and  
personal property. \$ 5,040,000

\$3,500,000 Utility System Refunding Revenue Bonds,  
Series 2021 A in annual installments with 2.8-3.5%  
interest secured by Authority revenue and real and  
personal property. 3,340,000

\$3,500,000 Utility System Refunding Revenue Bonds,  
Series 2021 B in annual installments with 2.8-3.5%  
interest secured by Authority revenue and real and  
personal property. \$ 3,335,000

Total \$ 11,715,000

Debt service principal and interest requirements for outstanding bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2023	\$ 1,150,000	\$ 271,529	\$ 1,421,529
2024	1,170,000	247,127	1,417,127
2025	1,200,000	222,140	1,422,140
2026	1,220,000	194,292	1,414,292
2027	1,255,000	165,714	1,420,714
2028-2032	<u>5,720,000</u>	<u>349,620</u>	<u>6,069,620</u>
TOTAL	<u>\$ 11,715,000</u>	<u>\$ 1,450,422</u>	<u>\$ 13,165,422</u>

The Authority paid interest in the amount of \$349,093 on its outstanding bonds during the fiscal year.

NOTE J - NOTES PAYABLE PROPRIETARY FUND

The Authority obtained a Community Development Block Grant loan number 8670 in the amount of \$82,907 from the Oklahoma Department of Commerce for the purpose of making utility system improvements. The loan is repayable over 20 years beginning on completion of the draw down. The Authority is required to make 240 equal monthly payments of \$345. The loan does not bear interest. The balance due on the loan at June 30, 2022 was \$0.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

A brief description of the outstanding notes payable at June 30, 2021 is set forth below:

<u>Outstanding</u>	<u>Amount</u>
Oklahoma Water Resource Board original loan amount of \$9,100,000. As of June 30, 2022, only \$1,460,889 has been drawn down.	\$ 1,460,889
Total	<u>\$ 1,460,889</u>

Per the loan agreement dated October 1, 2020, the OWRB will provide a final amortization schedule after construction of the Project is completed and the Borrower has certified to the OWRB that all Project Costs have been paid.

NOTE K - DEBT SERVICE COVERAGE

The revenue bond indentures require the Authority maintain a schedule of rates or charges for services sufficient to provide funds which together with other revenues pledged will provide net revenues available for debt service equal to at least 150% of the annual debt service requirement for the 2018 bond issues. Also, the OWRB Loan agreement require the Authority maintain a schedule of rates or charges for services sufficient to provide funds which together with other revenues pledged will provide net revenues available for debt service equal to at least 125% of the annual debt service requirement

Operating income (loss)	\$ (309,440)
Sales tax appropriations	<u>3,366,243</u>
Net revenue	3,056,803
Required net revenue	<u>1,020,795</u>
Excess/(deficit)	<u>\$ 2,036,008</u>
Ratio	<u>2.99 to 1</u>

NOTE L - LEASE OBLIGATIONS

The Town and Authority have entered into lease agreements as lessee for financing the acquisition of equipment. The lease agreements qualify as a capital lease for accounting purposes since title transfers at the end of the lease term and it has been recorded at the present value of the future minimum lease payments.

The schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, is as follows:

<u>Year ending June 30</u>	<u>Equipment</u>	<u>Tasers</u>	<u>Total</u>
2022	\$ 45,213	\$ 7,319	\$ 52,532
2022	-	7,319	7,319
2022	-	7,319	7,319
2022	-	7,319	7,319
Total minimum lease payments	45,213	29,276	74,489
Less: Amount representing interest	-	-	-
Present value of future minimum lease payments	<u>\$ 45,213</u>	<u>\$ 29,276</u>	<u>\$ 74,489</u>

NOTE M - COMPENSATED ABSENCES

The City and Authority have not reported an amount for accrued compensated absences. Under the modified cash basis of accounting, payments for vacation and sick leave are expensed as paid.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE N - PENSION OBLIGATIONS

Oklahoma Police and Firefighter's Pension and Retirement Systems

City of Bristow participates in two statewide, cost-sharing multiple-employer defined benefit plans on behalf of police officers and firefighters. The systems are administered by agencies of the State of Oklahoma and funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary. The following is a summary of eligibility factors, contribution methods, and benefit provisions.

	<u>Oklahoma Police Pension And Retirement System</u>	<u>Oklahoma Firefighter's Pension And Retirement System</u>
Eligibility to Participate	All full-time officers employed by a participating Municipality; not less than 21 years of age or more than 45 years of age when hired	All full-time or voluntary Firefighters of a participating municipality hired before age 45
Authority establishing contribution obligations and benefit provisions	State Statute	State Statute
Plan members' contribution rate	8% of covered payroll	9% of covered payroll
City's contribution rate	13% of covered payroll	14% of covered payroll
Period required to vest	10 years	10 years
Benefits and eligibility for distribution (full time)	20 years of credited service, 2 ½% of final average salary Multiplied by the years of Credited service with a maximum Of 30 years considered; If vested At or after age 50, Or after 10 But before 20 years of credited service, with reduced benefits	20 years credited service, 2 ½% of Final average salary multiplied by The years of credited service with a Maximum of 30 years considered; If Vested, at or after Age 50, or after 10 but before 20 years of Credited service, with reduced Benefits.
Benefits and eligibility for distribution (Volunteer)		20 years credited service equal to \$5.46 per month per year of service. With a maximum of 30years considered
Deferred retirement option	Yes, 20 years credited service With additional option to Participate in deferred option Plan for a maximum of 5 years	Yes, 20 years credited service With continued service for 30 or More years
Provisions for:		
Cost of living adjustments (normal retirement)	Yes	Yes, if vested by 5/83
Death (duty, non-duty, post-retirement)	Yes	Yes
Disability	Yes	Yes
Cost of living allowances	Yes	Yes

Contributions required by State Statute:

	<u>Oklahoma Police Pension And Retirement System</u>		<u>Oklahoma Firefighter's Pension And Retirement System</u>	
<u>Fiscal Year</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>
2022	\$ 60,217	100%	\$ 57,453	100%
2021	58,239	100%	53,059	100%
2020	53,330	100%	54,540	100%

Trend information showing the progress of the systems in accumulating sufficient assets to pay benefits when due is presented in the annual financial reports of the respective plans. Copies of these reports may be obtained from Oklahoma Firefighters Pension and Retirement System, 4545 North Lincoln Blvd., Suite 265, Oklahoma City, Oklahoma 73105 or Oklahoma Police Pension and Retirement System, 11 NW 63<sup>rd</sup> Street, Suite 305, Oklahoma City, Oklahoma 73116.



CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

Oklahoma Municipal Retirement Fund

The City allows employees to participate in Oklahoma Municipal Retirement Fund, a defined contributions plan. The plan is funded by contributions from participants and employees. The following is a summary of eligibility factor, contribution methods, and benefit provision:

Oklahoma Municipal Retirement Fund

Eligibility	All regular, full-time employees except police, firefighters and other employees who are covered under an approved system.
Employer contributions	9.33% of pay.
Employee contributions	5.25% of pay.
Service	
Credited Service	The last period of continuous employment with the employer excluding any periods before the effective date of the plan specified in the adoption agreement.
Vesting	Credited service plus transferred service from other OMRF employees.
Benefit Eligibility	5 or more years of vesting service.
Final Average Compensation	The average of the 5 highest consecutive annual salaries out of the last 10 years of service.
Accrued Benefit	Plan AA 2.625% of final average compensation multiplied by the number of years of credited service.
Normal Retirement Age	Age 65 with 5 or more years of vesting service.
Normal Retirement Eligibility	Termination of employment on or after normal retirement age.
Benefit	The accrued benefit payable immediately.
Early Retirement Eligibility	Termination after age 55 with 5 or more years of vesting.
Benefit	The accrued benefit payable starting at normal retirement, or the accrued benefit reduced 5% per year for commencement prior to normal retirement age.
Disability Retirement Eligibility	Total and permanent disability after 5 or more years of service.
Benefit	The accrued benefit is payable upon disablement without Reduction for early payment.
Termination Before Retirement Age	
Before Vesting	Return of employee contributions with interest.
After Vesting	The accrued benefit payable starting at age 65, or a reduced benefit payable at an early retirement age.
In-service Death	<u>Oklahoma Municipal Retirement Fund</u>
Before vesting	Return of member contributions with interest.
After vesting (married participants only)	50% of the accrued benefit is payable to the spouse until death or remarriage.
After Vesting (other participants)	50% of the accrued benefit is payable for 60 months certain.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

Payment Options

Normal form

The normal form of payment of the accrued benefit is a monthly lifetime annuity with 5 years certain.

Optional forms

Disability retirement benefits are paid only under the normal form.

Other retirement benefits are available under actuarially Equivalent optional forms:

- Joint and 50% survivor annuity
- Joint and 66-2/3rds last survivor annuity
- Joint and 100% survivor annuity

Cost of Living

Benefits in payment status are adjusted each July 1<sup>st</sup> based on the percentage change in the CPI. The maximum increase is 3% per year.

Contributions for the current and two prior years are as follows.

<u>Fiscal Year</u>	<u>Required Contribution</u>
2022	\$ 84,877
2021	86,438
2020	74,160

Annual reports may be obtained from Oklahoma Municipal Retirement System, 525 Central Park Drive, Oklahoma City, OK 73105.

NOTE O - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for risk of loss, including workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Claims not paid from commercial insurance may be paid from available cash or from a property tax assessment. The 2022 net valuation of taxable property in the City of Bristow was \$22,180,202.

NOTE P - FEDERAL STATE GRANTS

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities the purpose of which is to ensure compliance with conditions precedent to the granting of the funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE Q - TRANSFERS

The City and Municipal Authority adjust transfers between funds as needed during the budgeting process and as funds are needed.

NOTE R - SUBSEQUENT EVENTS

The City has evaluated subsequent events and contingencies through May 15, 2023, the date which financial statements were available.

The City is exploring options to build a new hospital. The outcome of this project is unknown at this time.

CITY OF BRISTOW, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
<b>Revenue</b>				
Sales Tax	\$ 4,221,019	\$ 4,585,253	\$ 3,886,019	\$ (699,234)
Use Tax	401,225	415,285	375,861	(39,424)
Franchise Tax	136,828	216,828	152,016	(64,812)
E911 Fee	71,880	76,880	72,869	(4,011)
Gasoline Tax	-	-	7,585	7,585
Motor Vehicle Tax	41,250	47,250	34,364	(12,886)
Alcoholic Beverage Tax	48,130	50,130	42,042	(8,088)
Cigarette Tax	35,825	35,825	32,630	(3,195)
PILOT (Bristow Housing Authority)	16,480	16,480	13,704	(2,776)
Cell Tower Revenue	40,000	40,000	40,565	565
Fire Revenue	89,250	89,250	74,872	(14,378)
Fire CARES grant	-	-	490	490
Swimming Pool	39,345	61,345	55,238	(6,107)
Cemetery	3,980	5,480	4,678	(802)
Room Tax	31,054	35,054	33,304	(1,750)
License and Permits	-	-	-	-
Fines and Forfeits	180,000	180,000	384	(179,616)
Donations	10,000	10,000	1,040	(8,960)
Other	15,640	12,140	10,019	(2,121)
Sale of Assets	-	2,000	473	(1,527)
Rental	15,420	15,420	11,876	(3,544)
Insurance refunds	2,900	2,900	24,369	21,469
Interest	560	560	526	(34)
<b>TOTAL REVENUE</b>	<b>5,400,786</b>	<b>5,898,080</b>	<b>4,874,924</b>	<b>(1,023,156)</b>
<b>Expenditures</b>				
<b>MANAGERIAL DEPARTMENT</b>				
Personal Services	86,007	86,007	84,279	1,728
Materials and Supplies	11,800	11,800	8,668	3,132
<b>TOTAL MANAGERIAL DEPARTMENT</b>	<b>97,807</b>	<b>97,807</b>	<b>92,947</b>	<b>4,860</b>
<b>CLERK/PURCHASING DEPARTMENT</b>				
Personal Services	233,367	253,367	249,611	3,756
<b>TOTAL CLERK/PURCHASING DEPT</b>	<b>233,367</b>	<b>253,367</b>	<b>249,611</b>	<b>3,756</b>
<b>TREASURER DEPARTMENT</b>				
Personal Services	72,452	75,652	74,026	1,626
Other Service and Charges	750	750	525	225
<b>TOTAL TREASURER DEPARTMENT</b>	<b>73,202</b>	<b>76,402</b>	<b>74,551</b>	<b>1,851</b>
<b>MUNICIPAL JUDGE DEPARTMENT</b>				
Personal Services	11,225	11,225	11,128	97
<b>TOTAL MUNICIPAL JUDGE DEPT</b>	<b>11,225</b>	<b>11,225</b>	<b>11,128</b>	<b>97</b>

CITY OF BRISTOW, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
GENERAL GOVERNMENT DEPARTMENT				
Personal Services	4,000	4,000	4,336	(336)
Other Service and Charges	154,750	134,750	112,401	22,349
Materials and Supplies	19,500	19,500	14,178	5,322
Capital Outlay	-	-	-	-
TOTAL GENERAL GOVERNMENT DEPT	<u>178,250</u>	<u>158,250</u>	<u>130,915</u>	<u>27,335</u>
POLICE DEPARTMENT				
Personal Services	1,135,280	1,095,280	1,029,381	65,899
Other Service and Charges	29,885	19,885	19,765	120
Materials and Supplies	<u>63,490</u>	<u>69,490</u>	<u>69,065</u>	<u>425</u>
TOTAL POLICE DEPARTMENT	<u>1,228,655</u>	<u>1,184,655</u>	<u>1,118,211</u>	<u>66,444</u>
FIRE DEPARTMENT				
Personal Services	760,812	750,812	739,760	11,052
Other Service and Charges	7,500	9,300	6,979	2,321
Materials and Supplies	<u>35,795</u>	<u>40,195</u>	<u>29,753</u>	<u>10,442</u>
TOTAL FIRE DEPARTMENT	<u>804,107</u>	<u>800,307</u>	<u>776,492</u>	<u>23,815</u>
STREET DEPARTMENT				
Personal Services	435,778	425,778	391,772	34,006
Other Service and Charges	80,000	90,000	79,840	10,160
Materials and Supplies	<u>137,400</u>	<u>137,400</u>	<u>152,555</u>	<u>(15,155)</u>
TOTAL STREET DEPARTMENT	<u>653,178</u>	<u>653,178</u>	<u>624,167</u>	<u>29,011</u>
ANIMAL CONTROL DEPARTMENT				
Personal Services	53,873	51,873	47,770	4,103
Other Service and Charges	1,000	1,000	1,048	(48)
Materials and Supplies	<u>8,440</u>	<u>10,440</u>	<u>8,190</u>	<u>2,250</u>
TOTAL ANIMAL CONTROL DEPARTMENT	<u>63,313</u>	<u>63,313</u>	<u>57,008</u>	<u>6,305</u>
SENIOR CITIZENS DEPARTMENT				
Capital Outlay	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
TOTAL SENIOR CITIZENS DEPT	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
LIBRARY DEPARTMENT				
Personal Services	106,149	128,149	126,078	2,071
Other Service and Charges	1,950	2,500	2,629	(129)
Materials and Supplies	<u>12,000</u>	<u>12,000</u>	<u>12,076</u>	<u>(76)</u>
TOTAL LIBRARY DEPARTMENT	<u>120,099</u>	<u>142,649</u>	<u>140,783</u>	<u>1,866</u>

CITY OF BRISTOW, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
CEMETERY DEPARTMENT				
Personal Services	121,802	116,802	107,133	9,669
Materials and Supplies	<u>12,100</u>	<u>12,100</u>	<u>13,547</u>	<u>(1,447)</u>
TOTAL CEMETERY DEPARTMENT	<u>133,902</u>	<u>128,902</u>	<u>120,680</u>	<u>8,222</u>
SPORTS COMPLEX DEPARTMENT				
Other Service and Charges	6,900	6,900	8,448	(1,548)
Materials and Supplies	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>1,200</u>
TOTAL SPORTS COMPLEX DEPT	<u>8,100</u>	<u>8,100</u>	<u>8,448</u>	<u>(348)</u>
POOL DEPARTMENT				
Personal Services	-	600	563	37
Other Service and Charges	1,920	920	736	184
Materials and Supplies	18,000	2,000	-	2,000
Capital Outlay	<u>330,858</u>	<u>330,858</u>	<u>334,304</u>	<u>(3,447)</u>
TOTAL POOL DEPARTMENT	<u>350,778</u>	<u>334,378</u>	<u>335,603</u>	<u>(1,226)</u>
INSPECTION DEPARTMENT				
Personal Services	75,380	75,380	70,154	5,226
Materials and Supplies	<u>3,000</u>	<u>3,000</u>	<u>2,974</u>	<u>26</u>
TOTAL INSPECTION DEPARTMENT	<u>78,380</u>	<u>78,380</u>	<u>73,128</u>	<u>5,252</u>
PARK DEPARTMENT				
Personal Services	111,640	111,640	112,404	(764)
Other Service and Charges	17,300	17,300	13,354	3,946
Materials and Supplies	<u>16,450</u>	<u>16,450</u>	<u>10,131</u>	<u>6,319</u>
TOTAL PARK DEPARTMENT	<u>145,390</u>	<u>145,390</u>	<u>135,889</u>	<u>9,501</u>
TOTAL EXPENDITURES	<u>4,186,753</u>	<u>4,143,303</u>	<u>3,956,561</u>	<u>186,742</u>
Excess (deficiency) of revenue over expenditures	<u>1,214,034</u>	<u>1,754,778</u>	<u>918,363</u>	<u>(836,415)</u>
Other financing sources (uses)				
Transfer In	750,000	750,000	1,189,304	439,304
Transfer Out	<u>(3,207,975)</u>	<u>(2,808,005)</u>	<u>(2,404,364)</u>	<u>403,641</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,457,975)</u>	<u>(2,058,005)</u>	<u>(1,215,060)</u>	<u>842,945</u>
Net change in fund balance	(1,243,942)	(303,228)	(296,697)	6,531
Fund Balances, beginning	<u>463,254</u>	<u>463,254</u>	<u>472,264</u>	<u>(9,010)</u>
Fund Balances, ending	<u>\$ (780,688)</u>	<u>\$ 160,026</u>	<u>\$ 175,567</u>	<u>\$ (2,479)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022

Budgetary Accounting

The annual operating budgets are prepared and presented on the cash basis of accounting. Per City ordinance, the City utilizes encumbrance accounting during the year on a limited basis for certain purchase orders and other commitments for the expenditure of funds which are recorded in order to reserve a portion of the applicable appropriation. Encumbrances outstanding at the year end are not considered expenditures for budgetary purposes, and are considered lapsed, as are all unused appropriations. Any open purchase orders to be honored in the subsequent budget year are re-appropriated and re-encumbered in the next year's budget. As a result, no reserve for encumbrances is reported at year end.

For the year ended June 30, 2022, the City complied in all material respects with the applicable budget laws relating to expenditures and appropriations at the legal level of control.

CITY OF BRISTOW, OKLAHOMA  
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2022

	<u>Cemetery</u>	<u>Cemetery Care</u>	<u>Police Training</u>	<u>Court</u>	<u>Library</u>	<u>Jones Found- ation</u>	<u>Special Fire</u>	<u>Grant Match</u>	<u>Amphitheater</u>	<u>TOTAL NONMAJOR FUNDS</u>
<b>ASSETS</b>										
Cash and Cash Equivalents	\$ 41,822	\$ 61,500	\$ 10,576	\$10,571	\$ 3,774	\$ 4,190	\$ 4,937	\$ 48,352	\$ 1,541	\$187,263
Investments	-	53,195	-	-	-	-	-	28,164	-	81,359
<b>TOTAL ASSETS</b>	<u>\$ 41,822</u>	<u>\$114,695</u>	<u>\$ 10,576</u>	<u>\$10,571</u>	<u>\$ 3,774</u>	<u>\$ 4,190</u>	<u>\$ 4,937</u>	<u>\$ 76,516</u>	<u>\$ 1,541</u>	<u>\$268,622</u>
<b>LIABILITIES</b>										
Due to Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>										
Designated	<u>41,822</u>	<u>114,695</u>	<u>10,576</u>	<u>10,571</u>	<u>3,774</u>	<u>4,190</u>	<u>4,937</u>	<u>76,516</u>	<u>1,541</u>	<u>268,622</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 41,822</u>	<u>\$114,695</u>	<u>\$ 10,576</u>	<u>\$10,571</u>	<u>\$ 3,774</u>	<u>\$ 4,190</u>	<u>\$ 4,937</u>	<u>\$ 76,516</u>	<u>\$ 1,541</u>	<u>\$268,622</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	Cemetery	Cemetery Care	Police Training	Court	Library	Jones Found- ation	Special Fire	Grant Match	Amphitheater	Total Nonmajor Funds
<b>REVENUES</b>										
Cemetery Sales	\$ -	\$ 7,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,910
Intergovernmental	-	-	-	-	3,321	-	63,333	-	-	66,654
Other	-	-	-	-	-	-	-	87,248	-	87,248
Sales of Assets	-	-	13,000	-	-	-	-	-	-	13,000
Fines and Forfeits	-	-	-	268,157	-	-	-	-	-	268,157
Donations	20,050	22	-	-	-	13,776	-	-	3,620	37,468
Interest	42	447	-	93	-	9	-	257	2	850
<b>TOTAL REVENUES</b>	<u>20,092</u>	<u>8,379</u>	<u>13,000</u>	<u>268,250</u>	<u>3,321</u>	<u>13,785</u>	<u>63,333</u>	<u>87,505</u>	<u>3,622</u>	<u>481,287</u>
<b>EXPENDITURES</b>										
<b>Current</b>										
Culture and Education	-	-	-	-	2,218	18,447	-	-	3,085	23,750
Park and Recreation	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	123,400	47,975	-	-	68,899	57,236	-	297,510
Cemetery	28,981	-	-	-	-	-	-	-	-	28,981
<b>TOTAL EXPENDITURES</b>	<u>28,981</u>	<u>-</u>	<u>123,400</u>	<u>47,975</u>	<u>2,218</u>	<u>18,447</u>	<u>68,899</u>	<u>57,236</u>	<u>3,085</u>	<u>350,241</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(8,889)</u>	<u>8,379</u>	<u>(110,400)</u>	<u>220,275</u>	<u>1,103</u>	<u>(4,662)</u>	<u>(5,566)</u>	<u>30,269</u>	<u>537</u>	<u>131,046</u>
<b>Other Financing Sources (Uses)</b>										
Transfer In	-	-	85,521	-	-	-	-	18,000	-	103,521
Transfer Out	-	-	-	(215,521)	-	-	-	(50,000)	-	(265,521)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>85,521</u>	<u>(215,521)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,000)</u>	<u>-</u>	<u>(162,000)</u>
<b>Net Change in Fund Balance</b>	<u>(8,889)</u>	<u>8,379</u>	<u>(24,879)</u>	<u>4,754</u>	<u>1,103</u>	<u>(4,662)</u>	<u>(5,566)</u>	<u>(1,731)</u>	<u>537</u>	<u>(30,954)</u>
<b>Fund Balance - Beginning</b>	<u>50,711</u>	<u>106,316</u>	<u>35,455</u>	<u>5,817</u>	<u>2,671</u>	<u>8,852</u>	<u>10,503</u>	<u>78,247</u>	<u>1,004</u>	<u>299,576</u>
<b>Fund Balance - Ending</b>	<u>\$ 41,822</u>	<u>\$ 114,695</u>	<u>\$ 10,576</u>	<u>\$ 10,571</u>	<u>\$ 3,774</u>	<u>\$ 4,190</u>	<u>\$ 4,937</u>	<u>\$ 76,516</u>	<u>\$ 1,541</u>	<u>\$ 268,622</u>

The accompanying notes are an integral part of these financial statements.



CITY OF BRISTOW, OKLAHOMA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA#</u>	<u>Grantor's Number</u>	<u>Expenditures*</u>
United States Department of Transportation			
Federal Aviation Administration (FAA)			
Direct programs:			
Airport Improvement(AIP) Grant	20.106	3-40-0128-010-2016	\$ 2,034,722
Total Federal Aviation Administration (FAA)			<u>2,034,722</u>
United States Department of Transportation			
Passed through Oklahoma Aeronautics Commission (OAC)			
Airport Improvement(AIP) Grant	20.106	3-40-0128-010-2016	92,564
Total passed through Oklahoma Aeronautics Commission (OAC)			<u>92,564</u>
United States Department of Housing and Urban Development (HUD)			
Passed through Oklahoma Department of Commerce (OKDOC)			
Community Development Block Grant	14.228	35-13659	492,453
Total passed through OK Dept of Commerce			<u>492,453</u>
Total Expenditures of Federal Awards			<u>\$ 2,619,739</u>

Note 1 -\* Represents federal share of expenditures only.

Note 2 -This schedule is prepared using the modified cash basis of accounting described in Note A.

Note 3 -The Town has elected not to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council  
City of Bristow  
Bristow, Oklahoma

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow, Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Bristow's basic financial statements and have issued my report thereon dated May 15, 2023.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered City of Bristow's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Bristow's internal control. Accordingly, I do not express an opinion of the effectiveness of City of Bristow's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Bristow, Oklahoma's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of the Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,



Ralph Osborn  
Certified Public Accountant  
Bristow, Oklahoma  
May 15, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF FEDERAL AWARDS  
REQUIRED BY UNIFORM GUIDANCE

Independent Auditor's Report

To the Board of Trustees  
City of Bristow  
Bristow, Oklahoma

Report on Compliance for Each Major Federal Program

I have audited City of Bristow, Oklahoma compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2022. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned cost.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Town's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as I considered necessary in the circumstance.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In my opinion, City of Bristow complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

## Report on Internal Control Over Compliance

Management of City of Bristow is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of City of Bristow's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow, Oklahoma as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Bristow, Oklahoma's basic financial statements. I issued my report thereon dated May 15, 2023, which contained unmodified opinions on those financial statements. My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting

and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sincerely,

A handwritten signature in cursive script that reads "Ralph Osborn".

Ralph Osborn  
Certified Public Accountant  
Bristow, Oklahoma  
May 15, 2023

CITY OF BRISTOW, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

Section I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified on modified cash basis

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_ Yes      X No

Significant deficiency identified that is  
not considered to be material weakness(es)?

\_\_\_ Yes      X None Reported

Noncompliance material to financial  
statements noted?

\_\_\_ Yes      X No

Federal Awards

Internal control over major programs:

Material Weakness(es) identified?

\_\_\_ Yes      X No

Significant deficiency identified that is  
not considered to be material weakness(es)?

\_\_\_ Yes      X None Reported

Type of auditor's report issued on compliance  
to major programs:

Unmodified on modified cash basis

Any audit findings disclosed that are required  
to be reported in accordance with section  
510(a) of Uniform Guidance

\_\_\_ Yes      X No

Programs tested as Major Programs

CFDA Number(s)

Name of Federal Program or Cluster

20.106

Airport Improvement Program

Dollar threshold used to distinguish  
between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

\_\_\_ Yes      X No

Section II - Financial Statement Findings

There were no findings noted.

CITY OF BRISTOW, OKLAHOMA  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COST  
FOR THE YEAR ENDED JUNE 30, 2022

There were no findings or questioned costs reported in the audit for the year ended June 30, 2022.